

## **STATEMENT OF PURPOSE**

### **RS21459**

The State of Idaho has provided a mechanism for school districts to pay for the construction, renovation and maintenance of school facilities. Districts are able to ask voters to approve bond levies, plant facility levies or supplemental M&O levies, all of which may be used for school facility costs. The state also provides school districts with a sliding scale of state support to assist in the repayment of any bonds approved by a school district's voters, through the Bond Levy Equalization program.

Charter schools, conversely, are provided with no mechanism to raise money for school facility costs, and when charter schools do issue bonds or take out loans to pay for school facilities, the state provides no support to assist in the repayment of these bonds and loans.

This legislation would begin to address the lack of support for charter school facility costs by allowing charter schools to participate in the state's Bond Levy Equalization program. Such participation would function in the same way that it does for school districts, with the statewide average being used for the "property value per support unit" portion of the value index formula, since charter schools do not have access to property taxes.

### **FISCAL NOTE**

It is estimated that this legislation would increase the cost of the Bond Levy Equalization program, within the Public Schools budget, by approximately \$370,000 in FY13.

**Contact:**

**Name:** Representative Reed DeMordaunt

**Office:**

**Phone:** (208) 332-1000